

Start Dec 9, 1960

A34WX (BJT)
(600) AMS BUDGET
RUSSIA-RED CHINA
BY JOHN M. HIGHTOWER

3624

WASHINGTON, DEC. 9 (AP)--U.S. OFFICIALS REPORTED TODAY THAT THE NEW SOVIET-COMMUNIST CHINA AGREEMENT PUBLISHED IN MOSCOW THIS WEEK CONTAINS SOME DANGEROUS STORM SIGNALS FOR THE WEST. RUSSIA AND RED CHINA FAILED, HOWEVER, TO RECONCILE THEIR BASIC DIFFERENCES OVER A MAJOR COMMUNIST STRATEGY IN IDEOLOGICAL ISSUES. THEY DID SUCCEED IN "PAPERING OVER" THEIR DIFFERENCES FOR THE MOMENT. THEIR DISPUTE IS EXPECTED TO ERUPT AGAIN SOME TIME IN THE FUTURE INTO OPEN IDEOLOGICAL CONFLICT. BUT MEANWHILE THE AGREEMENT THEY HAVE BEEN ABLE TO ACHIEVE UNDOUBTEDLY MEANS MUCH MORE AGGRESSIVE COMMUNIST OPERATIONS AGAINST THE REST OF THE WORLD AND COULD THUS LEAD TO SERIOUS TROUBLE.

THESE VIEWS OF THE MEANING AND IMPORTANCE OF THE STATEMENT ISSUED MONDAY AT THE CONCLUSION OF A MONTH'S LONG COMMUNIST PARTY SUMMIT MEETING IN MOSCOW WERE REACHED BY AMERICAN GOVERNMENT AUTHORITIES AFTER SEVERAL DAYS OF INTENSE STUDY OF THE DOCUMENT.

THEY EXPECT SOVIET PREMIER NIKITA S. KHRUSHCHEV TO PRESS AHEAD WITH HIS PLAN FOR SEEKING A SUMMIT CONFERENCE WITH THE NEW U.S. PRESIDENT, JOHN F. KENNEDY, NEXT SPRING OR SUMMER. BUT TO GET CHINESE SUPPORT AND COOPERATION--IN THE SENSE OF NOT UNDERCUTTING HIS POSITION--KHRUSHCHEV HAS HAD TO AGREE TO A TOUGHER STATEMENT OF RED AIMS AND TACTICS AND A GENERALLY TOUGHER POLICY LINE TOWARD THE WEST THAN HE HAD BEEN FOLLOWING.

KHRUSHCHEV PARTICIPATED IN THE CONFERENCE ALONG WITH LIU SHAO-CHI, CHINESE COMMUNIST CHIEF OF STATE, AND RED PARTY LEADERS FROM 80 COUNTRIES.

SOME OF THE SESSIONS ARE REPORTED TO HAVE BEEN FULL OF BITTER DISPUTE BETWEEN RUSSIAN DELEGATES ARGUING FOR A PEACEFUL WORLD VICTORY OF COMMUNISM THROUGH COEXISTENCE--THE KHRUSHCHEV LINE--AND CHINESE ARGUING THAT WAR WAS INESCAPABLE IN A WORLD WHERE IMPERIALISM WAS STILL SO POWERFUL.

IN THE END, OFFICIALS SAID, THE AGREEMENT MADE COVERED THESE MAIN POINTS AT ISSUE:

1. THE NATURE OF THE WORLD AT THIS PERIOD OF HISTORY--KHRUSHCHEV AND COMPANY HAVE ARGUED THIS IS A PERIOD OF TRANSITION FROM CAPITALISM TO SOCIALISM. THE CHINESE CONTENDED IT IS AN EPOCH OF IMPERIALIST WARS AND OF REVOLUTION. THE STATEMENT, OR MANIFESTO AS IT HAS BEEN CALLED, SAYS BOTH THINGS ARE TRUE--THAT THIS IS A PERIOD OF STRUGGLE AND REVOLUTION AND OF THE DECLINE OF IMPERIALISM; MEANING THAT RUSSIA AND CHINA ARE WINNING AND THE UNITED STATES AND ITS ALLIES ARE LOSING.

2. ON THE INEVITABILITY OF WAR--KHRUSHCHEV HAS INSISTED THAT WAR IS NOT INEVITABLE AND THAT A GREAT NUCLEAR CONFLICT COULD BE DEVASTATING FOR ALL. THE COMPROMISE BETWEEN HIS VIEW AND RED CHINA'S INEVITABILITY THEORY IS THAT THE THREAT OF WAR HAS INCREASED.

3. THE MEANS OF COMMUNIST CONQUEST OF THE WORLD. THE REDS ALL AGREE THAT THE WORLD IS GOING COMMUNIST. THE CONFIDENT TONE OF THEIR STATEMENT IS ONE OF ITS OUTSTANDING CHARACTERISTICS. THE RUSSIANS HAVE SAID THEY CAN TAKE OVER THE WORLD PEACEFULLY; THE CHINESE REDS SAID THE PROCESS WOULD BE VIOLENT. THE COMPROMISE STATEMENT SAID A PEACEFUL TRANSITION IS POSSIBLE BUT SOMETIMES A CHANGEOVER MAY BE VIOLENT.

4. PEACEFUL COEXISTENCE--FOR YEARS KHRUSHCHEV HAS SOUGHT TO PERSUADE THE WORLD THAT HE REGARDED PEACEFUL COEXISTENCE AS A MEANS OF RELAXING TENSION AND GETTING BETTER EAST-WEST RELATIONS THROUGH AGREEMENTS ON BERLIN. DISARMAMENT AND OTHER ISSUES. THE COMPROMISE

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STATEMENT PROVIDES FOR NEGOTIATION, BUT DEFINES PEACEFUL COEXISTENCE AS JUST ANOTHER FORM OF CLASS STRUGGLE; THAT IS, A POLICY OF CONTINUING THE COLD WAR.

5. COMMUNIST LEADERSHIP -- THE STATEMENT WHICH CAME OUT OF A MOSCOW CONFERENCE EXPLICITLY REAFFIRMED THE LEADING AND DOMINANT ROLE OF THE SOVIET COMMUNIST PARTY IN THE WORLD COMMUNIST MOVEMENT. BUT BEFORE THAT AFFIRMATION WAS SET OUT IN THREE PARAGRAPHS CAME THREE OTHER PARAGRAPHS WHICH STRESSED THE RIGHT OF NATIONAL PARTY INDEPENDENCE AND THE NEED FOR COLLECTIVE DECISIONS. THIS APPEARED TO REPRESENT A CONCESSION BY KHRUSHCHEV TO THE CHINESE REDS SO THAT THE SOVIETS CAN NO LONGER DICTATE COMMUNIST PARTY POLICY AND PLANS BUT MUST IN ANY DISPUTE WIN THE APPROVAL OF THE CHINESE.

RZ453PES

A113 (200)

PARIS, SATURDAY, DEC. 10 (AP)--THE COMMUNIST NEWSPAPER L'HUMANITE TODAY CARRIED A "MESSAGE TO THE PEOPLE OF THE WORLD" ADOPTED AT THE RECENT RED SUMMIT MEETING IN MOSCOW.

THE MESSAGE SPREAD OVER AN ENTIRE PAGE URGES THE FAMILIAR COMMUNIST ENDS BUT CLOAKS THE EXHORTATIONS IN THE NEW ORTHODOXY OF PEACEFUL COEXISTENCE ADOPTED AT THE RED SUMMIT.

"SOCIALISM DOES NOT HAVE NEED OF WAR," THE MESSAGE READS. "WE WANT THE ISSUE OF THE HISTORICAL STRUGGLE BETWEEN THE OLD REGIME AND THE NEW, BETWEEN CAPITALISM AND SOCIALISM, TO BE DECIDED NOT IN A WORLD WAR BUT IN A PEACEFUL COMPETITION WHICH WILL SHOW WHICH IS THE SOCIAL REGIME, WHICH WILL ATTAIN THE HIGHEST ECONOMIC, TECHNOLOGICAL AND CULTURAL LEVELS AND WHICH WILL ASSURE THE COMMON PEOPLE THE BEST CONDITIONS OF LIFE."

THE MESSAGE URGES WORKERS, FARMERS, INTELLECTUALS, PROFESSIONAL PEOPLE, YOUTH AND MEN OF GOOD WILL THROUGHOUT THE WORLD TO PRESS FOR: RELAXATION OF INTERNATIONAL TENSIONS.

COMMUNIST STYLE OF NUCLEAR DISARMAMENT.
RESTRICTION OF THE NUCLEAR CLUB AND BANNING OF NUCLEAR WEAPONS TO THE WEST GERMANS AND JAPANESE.

A GERMAN PEACE TREATY AND TRANSFORMATION OF BERLIN INTO A FREE DEMILITARIZED CITY.

PREVENTION OF WESTERN IMPERIALISMS IN THE NEW NATIONS OF THE WORLD.
SCRAPPING OF UNITED STATES OVERSEAS MILITARY BASES.

PROTECTION OF THE LIBERTY OF THE CUBAN PEOPLE FROM U.S. AGGRESSION.

PS943PES

A158 (300)

BY ANTHONY PEARCE

BUDAPEST, HUNGARY, DEC. 9 (AP)--HUNGARY'S COMMUNIST PARTY CHIEF, JANOS KADAR, HINTED TODAY HE WAS CALLED SOME HARD NAMES AT THE RECENT MOSCOW SUMMIT CONFERENCE OF COMMUNIST LEADERS.

OUTLINING THE ACHIEVEMENTS OF THE THREE-WEEK MOSCOW PARLEY, KADAR TOLD PARLIAMENT HE HAD BEEN CHARGED WITH BEING BOTH HARD AND SOFT ON REVISIONISTS (THOSE WHO FOLLOW THE TITO BRAND OF INDEPENDENT COMMUNISM).

HE DID NOT SAY WHO LEVELED THE CHARGES OR EVEN THAT THEY WERE MADE AT THE SUMMIT MEETING. BUT HE ADDED THAT "IN MOSCOW WE HAVE NOW BEEN JUSTIFIED IN THE CORRECTNESS OF OUR LINE."

KADAR SAID HIS REGIME WOULD CONTINUE TO FOLLOW A MARXIST-LENINIST LINE, DEALING WITH ITS ENEMIES WITH AN IRON HAND, "BUT WITH INDIVIDUAL PEOPLE WE SHALL BE HUMANE."

KADAR SAID THE MOSCOW TALKS STRENGTHENED THE PRESTIGE OF THE

SOVIET COMMUNIST PARTY AND ALSO BOLSTERED THE UNITY OF ALL COMMUNIST PARTIES, INCLUDING THE CHINESE. THE CONFERENCE, HE ADDED, WAS HELD IN A SPIRIT OF OPPOSITION TO THE CULT OF PERSONALITY (ONE-MAN RULE). KADAR EMPHASIZED THAT OF THE 81 COMMUNIST PARTIES REPRESENTED AT MOSCOW ONLY 12 WERE IN POWER. HE ADDED: "IN RUSSIA THE COMMUNISTS CAN SIT IN THE KREMLIN, IN HUNGARY WE CAN SIT IN PARLIAMENT BUT IN SOUTH AFRICA, FOR INSTANCE, THEY

HAVE TO SIT IN THE JUNGLE."

HE SAID PARTIES NOW IN POWER HAVE AN "ESPECIALLY GREAT RESPONSIBILITY" TO WORK WELL AND QUICKLY BECAUSE THEY ARE PART OF AN "INVINCIBLE WORLD FORCE."

KADAR CALLED THE UNITED STATES A POLICE STATE BUT ADDED IT WAS HIS "SACRED CONVICTION" THAT THE COMMUNIST WORLD AND AMERICA WOULD ACHIEVE PEACEFUL COEXISTENCE.

"THEY SAY OURS IS A POLICE STATE. I SAY THAT THEIR'S IS," KADAR SAID. "IN NEW YORK I SAW MORE POLICEMEN, INCLUDING THOSE IN PLAIN CLOTHES, IN TWO DAYS THAN I SEE IN HUNGARY IN TWO YEARS, AND THAT INCLUDES TRAFFIC POLICEMEN."

"FORMERLY THE UNITED STATES WAS THE LAND OF PROGRESS AND DEMOCRACY AND SERVED AS A REFUGE FOR REFUGEES AGAINST FASCISM. NOW IT IS A REFUGE FOR ALL LATTER-DAY FASCISTS, DICTATORS AND OTHER REACTIONARIES."

KADAR SAID HE HAD GREAT RESPECT FOR AMERICANS SUCH AS CYRUS EATON, MULTIMILLIONAIRE INDUSTRIALIST FROM CLEVELAND, OHIO, WHO HAS SHOWN SYMPATHY TOWARD THE COMMUNIST BLOC AND ONLY RECENTLY WAS IN MOSCOW. THEN HE QUIPPED:

"IF I'D KNOWN IN 1931 WHEN I JOINED THE COMMUNIST YOUTH ORGANIZATION THAT ONE DAY I'D BE DISCUSSING THINGS WITH AN AMERICAN MILLIONAIRE, MAYBE I WOULDN'T HAVE JOINED."

JS1227PES

A147

BELGRADE, YUGOSLAVIA, DEC. 9 (AP)--YUGOSLAVIA CHARGED TODAY THE MOSCOW COMMUNIST SUMMIT DECLARATION IS A NEW ATTEMPT TO PRESENT THE POSITION OF YUGOSLAVIA UNTRULY AND MALICIOUSLY. THE DECLARATION BY 81 COMMUNIST PARTIES MEETING AT MOSCOW, NOT INCLUDING YUGOSLAV COMMUNISTS, ASSAILED YUGOSLAVIA FOR "REVISIONISM," "ANTI-LENINISM," AS "TRAITORS OF COMMUNISM" AND FOR "SUBVERSIVE ACTIVITIES AGAINST SOCIALIST (COMMUNIST) COUNTRIES." DRAGO KUNC, SPOKESMAN FOR THE GOVERNMENT, ASSERTED TODAY: "THE PART OF THE DECLARATION ON YUGOSLAVIA WE APPRAISE AS A NEW ATTEMPT TO PRESENT UNTRULY AND MALICIOUSLY CERTAIN VERY WELL KNOWN EVENTS FROM PAST RELATIONS OF THE COUNTRIES OF THE SOVIET BLOC AND YUGOSLAVIA, AS WELL AS OF THE PRESENT POSITION AND ROLE OF OUR

COUNTRY."

KUNC ALSO ANNOUNCED THAT YUGOSLAVIA HAS DENOUNCED RED CHINA ON CHARGES OF TRYING TO DETERIORATE RELATIONS WITH COMMUNIST YUGOSLAVIA. THE YUGOSLAV GOVERNMENT YESTERDAY PRESENTED TO THE RED CHINESE CHARGE D'AFFAIRES HERE A NOTE PROTESTING ANTI-YUGOSLAV STATEMENTS WHICH PREMIER CHOU EN-LAI MADE AT A NATIONAL HOLIDAY RECEPTION IN THE ALBANIAN EMBASSY AT PEIPING. THE CHINESE DIPLOMAT REFUSED TO ACCEPT THE NOTE.

KUNC SAID THE NOTE STRESSED "THAT THE GOVERNMENT OF THE PEOPLES REPUBLIC OF CHINA, WHOSE ANTI-YUGOSLAV CAMPAIGN ALREADY UP TO NOW HAS SERIOUSLY DETERIORATED YUGOSLAV-CHINESE RELATIONS, WITH THE STATEMENT (OF CHOU) INTENTIONALLY GOES FURTHER TOWARD DETERIORATION WHICH DIRECTLY INCITES DETERIORATION OF INTERNATIONAL RELATIONS IN GENERAL."

CHOU'S STATEMENT PRAISED ALBANIA, WHICH HAS BEEN IN THE FOREFRONT OF COMMUNIST NATIONS CRITICAL OF YUGOSLAVIA'S BRAND OF INDEPENDENT COMMUNISM.

JS1207PES

B73PG Q

APW NOTE

PITTSBURGH, DEC. 9 (AP)--SIR HAROLD CACCIA, BRITISH AMBASSADOR TO THE UNITED STATES, SAID TODAY THAT DESPITE DIFFERENCES BETWEEN RUSSIAN AND CHINESE COMMUNISTS WE SHOULD RECOGNIZE THEY BOTH AIM TO BURY OUR SYSTEM.

CACCIA TOLD A NEWS CONFERENCE THAT THERE ISN'T MUCH COMFORT FOR THE WEST IN WHETHER MOSCOW OR PEKING HEWS MORE CLOSELY TO THE MARXIST DOCTRINE.

HE SAID THE COMMUNISTS "PUT IT ON THE LINE" RECENTLY BY STATING THEIR BASIC POLICIES ARE:

1. TO BUILD UP THEIR ECONOMICS.
 2. TO MAINTAIN THEIR ARMED STRENGTH.
 3. TO SUPPORT ANTI-CAPITALIST MOVEMENTS IN DEVELOPED COUNTRIES AND TO WIN OVER UNDER-DEVELOPED COUNTRIES TO THEIR SYSTEM.
- "WE HAVE TO DO OUR BEST TO SEE THAT THEY DON'T DO THESE THINGS," HE DECLARED.

COMMENTING ON THE CUBAN SITUATION, SIR HAROLD SAID, YEARS AGO COUNTRIES AFFECTED WOULD HAVE FORCED CUBA TO MAKE PROMPT AND ADEQUATE COMPENSATION FOR SEIZING INDUSTRIES. HE ADDED:

"TODAY IT IS DIFFICULT TO USE POWER EVEN TO GAIN JUSTICE. THIS IS SOMETHING DIPLOMACY HAS NEVER HAD TO FACE BEFORE. FOR THE NEXT 100 YEARS THE PROBLEM THAT FACES US IS THIS:

"HOW DO WE GET AN ORDERLY SOCIETY AND HOW DO WE ENFORCE THE SANCTITY OF TREATIES?"

THE AMBASSADOR WAS IN THE CITY TO TAPE A SHOW FOR A LOCAL TELEVISION STATION AND TO SPEAK TO THE FOREIGN POLICY ASSOCIATION OF PITTSBURGH.

ES935PES

1960

B10CD (Q)

EATON (260)

CLEVELAND, DEC. 9 (AP)--HOME LESS THAN 24 HOURS FROM A TRIP TO MOSCOW CYRUS EATON, MILLIONAIRE CLEVELAND INDUSTRIALIST, TODAY WAS PLANNING TO GO BACK TO THE SOVIET CAPITAL AGAIN--THIS TIME TO LEARN SPECIFICALLY ON WHAT CONDITIONS THE COMMUNISTS WOULD END THE COLD WAR.

WHILE HE WAS IN MOSCOW FOR A WEEELONG MEETING OF THE PUGWASH CONFERENCE OF SCIENTISTS FROM 15 NATIONS, EATON SAW NIKITA KHRUSHCHEV ONLY BRIEFLY, BECAUSE THE SOVIET PREMIER WAS IN BED WITH A COLD.

"I WANT TO GO BACK WHEN HE IS FEELING HIMSELF AND CAN HAVE MORE TIME FOR DISCUSSION OF DETAILS THAN HAS BEEN POSSIBLE IN THE PAST," EATON SAID.

THE CANADIAN-BORN EATON, WHO WILL BE 77 TWO DAYS AFTER CHRISTMAS, THOUGHT HIS NEXT TRIP MIGHT BE POSSIBLE EARLY IN 1961. HE HAD THIS TO SAY ABOUT ITS PURPOSE:

"THE LONGER WE PUT OFF ENDING THE COLD WAR, THE MORE EXPENSIVE IT WILL BE FOR US... THE TIME IS NOW HERE WHEN SOMEONE SHOULD KNOW WHAT THE (THE COMMUNISTS) WILL DO. I WOULD LIKE TO KNOW THAT AND BE ABLE TO TELL THE WORLD WHAT IT WAS--BUT TO DO SO AFTER I HAD PLENTY OF TIME AND STUDY TO REFLECT ON IT."

EATON SAID HE WAS "IN NO SENSE THINKING OF TAKING THE PLACE OF GOVERNMENT CONFERENCE" BUT FELT THAT SOMEONE NOT RUNNING FOR OFFICE HAD THE ADVANTAGE OF NOT HAVING "TO APPEAL TO THE PREVAILING PREJUDICES." "IT SEEMS TO ME," HE SAID, "IT WOULDN'T DO THE WORLD ANY HARM TO SEE OUTLINED THE CONDITIONS THAT THE SOVIETS WOULD ACCEPT OR TO HAVE A WESTERN BUSINESSMAN SAYING WHAT HE THOUGHT WOULD BE A REASONABLE PLAN."

LARGE GATHERINGS OF PEOPLE "DON'T GET DOWN TO SERIOUS DISCUSSION OF WHAT THE COMPROMISES HAVE GOT TO BE," BUT TEND TO TALK FOR HEADLINES, EATON DECLARED.

HE STRESSED THAT "THE SOVIETS ARE DEVELOPING A WORLD OUTLOOK AND WORLD PHILOSOPHY THAT GETS THEM AWAY FROM SOME OF THEIR OLD OBSESSIONS." THEY GIVE "GREAT ATTENTION TO INTERNATIONAL PROBLEMS" AND "THEIR INTEREST IN WORLDWIDE POINTS OF VIEW IS DEVELOPING," HE ADDED.

JS253PES

NM

A60

PRECEDENCE CROWN POINT DAY
KINGSTON, JAMAICA, DEC. 9 (AP)-UNITED STATES AND WEST INDIES OFFICIALS WILL HOLD TALKS HERE NEXT TUESDAY AND WEDNESDAY ON THE FUTURE OF U.S. BASES IN JAMAICA.
JOHN HAY WHITNEY, AMERICAN AMBASSADOR TO BRITAIN, HEADS THE U.S. DELEGATION.
BASES HERE WERE AMONG THOSE BRITAIN LEASED TO THE UNITED STATES FOR 99 YEARS, IN EXCHANGE FOR 50 DESTROYERS IN THE EARLY DAYS OF WORLD WAR II. RE-NEGOTIATION WAS BROUGHT ON BY THE NEW AUTONOMOUS STATUS OF THE FORMER BRITISH WEST INDIES COLONIES. WEST INDIES FEDERATION OFFICIALS AND U.S. NEGOTIATORS YESTERDAY REACHED AGREEMENT BY WHICH THE UNITED STATES RETAINED ITS NAVAL BASE AT CHAGUARAMAS ON THE ISLAND OF TRINIDAD FOR 17 YEARS.
P627PES

A75WX

(230) DEPENDENTS
WASHINGTON, DEC. 9 (AP)-CHAIRMAN CARL VINSON, D-GA., OF THE HOUSE ARMED SERVICES COMMITTEE HAS TOLD DEFENSE SECRETARY THOMAS. GATES THAT THOUSANDS OF CAREER SERVICE PERSONNEL MAY RESIGN BECAUSE OF THE ORDER TO CUT BACK THE NUMBER OF MILITARY DEPENDENTS OVERSEAS, THE ARMY, NAVY, AIR FORCE JOURNAL SAID TODAY.
THE UNOFFICIAL BUT AUTHORITATIVE SERVICE PUBLICATION SAID OTHER CONGRESSIONAL LEADERS ARE CONCERNED OVER THE IMPACT OF THE ORDER.
IT ADDED THAT SEN. RICHARD RUSSELL, D-GA., CHAIRMAN OF THE SENATE ARMED SERVICES COMMITTEE, HAS BEEN ADVISING WIVES OF SERVICEMEN THAT THE DIRECTIVE "WILL BE A MATTER OF CONSIDERATION BY THE NEXT CONGRESS."
VINSON WROTE GATES, THE JOURNAL SAID, THAT THE ORDER SINGLES OUT MILITARY FAMILIES TO CARRY TOO MUCH OF THE BURDEN OF CUTTING DOWN ON DOLLAR SPENDING ABROAD. PRESIDENT EISENHOWER'S ORDER WAS AIMED TO EASE THE DRAIN ON U.S. GOLD SUPPLIES FROM FOREIGN CONVERSION OF DOLLARS INTO GOLD.
VINSON WAS DESCRIBED AS SAYING THAT WHILE HE BELIEVED STEPS SHOULD BE TAKEN TO PRESERVE THE GOLD RESERVE HE BELIEVED THE BURDEN SHOULD BE DISTRIBUTED AMONG THE POPULATION. HE SAID THAT SERVICEMEN AND THEIR FAMILIES WOULD BE MORE WILLING TO ACCEPT SOME OF THE EFFORT IF THEY KNEW OTHER FAMILIES WERE TO BE ASKED TO MAKE SACRIFICES.
THE COMMITTEE CHAIRMAN WAS QUOTED AS SAYING HE BELIEVES IT UNREASONABLE TO SPEND BIG SUMS TO BOLSTER MILITARY MORALE, AS CONGRESS HAS DONE BY APPROVING NUMEROUS CAREER-INCENTIVE MEASURES, IF THE EFFECT OF THE LEGISLATION IS TO BE NULLIFIED BY A SINGLE DIRECTIVE.
RH729PES

A68WX

(300) GOLD-FOREIGN EXPLANATORY
BY FRANK CORMIER
WASHINGTON, DEC. 9 (AP)-THE MUCH TALKED ABOUT FOREIGN THREAT TO THE AMERICAN GOLD SUPPLY COMES MAINLY FROM JAPAN AND FIVE EUROPEAN COUNTRIES.
THE LATEST FIGURES OF THE FEDERAL RESERVE BOARD SHOWED TODAY THAT THE COUNTRIES WITH THE BIGGEST POTENTIAL CLAIMS AGAINST U.S. GOLD ARE WEST GERMANY, THE UNITED KINGDOM, JAPAN, ITALY, SWITZERLAND AND FRANCE, IN THAT ORDER.
CANADA COULD BE LISTED AT THE TOP WITH WEST GERMANY BUT HER CLAIM ISN'T CAUSING CONCERN. CANADA IS NOT A LOGICAL CUSTOMER FOR AMERICAN GOLD SINCE SHE HAS A DOLLAR CURRENCY TOO, AND IS A MAJOR GOLD PRODUCER.
THE SIX OTHER COUNTRIES, HOWEVER, ARE GOLD BUYERS AND CAN AFFORD TO BUY. THEY HAVE MORE THAN \$9.5 BILLION INVESTED IN THE UNITED STATES ON A SHORT-TERM BASIS OR IN U.S. TREASURY BONDS AND NOTES, QUICKLY CONVERTIBLE TO CASH.
ANY OF THESE COUNTRIES COULD TURN ITS INVESTMENTS INTO DOLLARS AND USE THE DOLLARS TO BUY AMERICAN GOLD. HOWEVER, THEY WOULD HAVE NO MOTIVE FOR DOING THIS ON A BIG SCALE UNLESS THEY FELT THE DOLLAR

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MIGHT BE DEVALUED OR THAT THE UNITED STATES MIGHT RUN OUT OF GOLD. THE TREASURY STRONGLY DENIES ANY POSSIBILITY OF DEVALUATION AND THE UNITED STATES STILL OWNS \$18.1 BILLION OF GOLD. HOWEVER, NEARLY \$12 BILLION IS NOT FOR SALE UNDER PRESENT LAW BECAUSE IT BACKS UP PART OF THE MONEY SUPPLY.
SHOULD HEAVY FOREIGN GOLD BUYING CONTINUE, A COUNTRY WITH BIG DOLLAR INVESTMENTS MIGHT GET NERVOUS AND BUY EVEN MORE HEAVILY ON A GET-IT-WHILE-IT'S-THERE THEORY. THAT COULD START A "RUN" ON GOLD.
ALTOGETHER, 26 NATIONS HAVE AT LEAST \$100 MILLION EACH IN POTENTIAL CLAIMS AGAINST U.S. GOLD. THEIR LIQUID DOLLAR INVESTMENTS TOTAL MORE THAN \$19 BILLION.
WEST GERMANY AND CANADA HAVE THE BIGGEST POTENTIAL CLAIMS--ABOUT \$3.1 BILLION EACH. THE OTHERS ARE: THE UNITED KINGDOM \$2.2 BILLION; JAPAN, \$1.7 BILLION; ITALY, \$1 BILLION; SWITZERLAND, \$890 MILLION, AND FRANCE, \$650 MILLION.
RZ659PES

B65 (Q)
(230)

1960
BY JOHN WEYLAND
BONN, GERMANY, DEC. 9 (AP)-THE FOREIGN MINISTRY ANNOUNCED TODAY SUBSTANTIAL AGREEMENT HAS BEEN REACHED ON A NEW TRADE TREATY BETWEEN WEST GERMANY AND THE SOVIET UNION, BUT THE ECONOMIC STATUS OF WEST BERLIN REMAINS UNDECIDED.
A MINISTRY SPOKESMAN TOLD A NEWS CONFERENCE THE NEW TREATY'S TERMS WOULD BE SIMILAR TO THOSE OF THE PRESENT TREATY, WHICH EXPIRES THE END OF THIS MONTH. HE GAVE NO DETAILS.
THE EXPIRING TREATY, SIGNED IN APRIL 1958, IS THE ONLY ONE EXISTING BETWEEN WEST GERMANY AND THE SOVIET UNION. IT WAS FOR A THREE-YEAR PERIOD, ORIGINALLY, AND PROVIDED FOR EXCHANGES OF 3 BILLION MARKS (\$750 MILLION). TRADE WITH THE SOVIET UNION AMOUNTS TO ONLY 2 PER CENT OF ALL WEST GERMAN TRADE.
THE WEST GERMANS HAD TRIED DURING SIX WEEKS OF NEGOTIATIONS HERE TO INTRODUCE A SO-CALLED "BERLIN CLAUSE" INTO A TRADE AGREEMENT WITH THE SOVIET UNION FOR THE FIRST TIME.
THIS CLAUSE WOULD MAKE OFFICIAL THE LONG-STANDING UNOFFICIAL TOLERANCE THE SOVIET UNION HAS SHOWN IN TREATING THE WEST BERLIN ECONOMY AS PART OF WEST GERMANY'S ECONOMY.
THE FOREIGN MINISTRY SPOKESMAN SAID THE QUESTION OF THE CLAUSE STILL IS HANGING AND WILL BE NEGOTIATED LATER.
THE MINISTRY SPOKESMAN DESCRIBED THE EXTENT OF AGREEMENT REACHED ON TRADE THIS WAY: "THE MATERIAL SIDE OF THE NEGOTIATIONS HAS BEEN SUCCESSFULLY CONCLUDED."
WEST GERMAN-SOVIET AGREEMENT WAS REACHED LAST NIGHT. USUALLY WELL-INFORMED SOURCES REPORTED THEN THAT THE NEGOTIATIONS HAD STALLED OVER THE "BERLIN CLAUSE." THE FOREIGN MINISTRY IMMEDIATELY ISSUED AN EMPHATIC DENIAL.
RP1127AES

EB57

(Q) (140)
KARLSRUHE, GERMANY, DEC. 8 (AP)-THE WEST GERMAN SUPREME COURT SENTENCED TWO FORMER INTERIOR MINISTRY EMPLOYEES TO LONG PRISON TERMS TODAY AFTER CONVICTING THEM OF SPYING FOR COMMUNIST EAST GERMANY. BOTH WERE ALLEGED TO HAVE PHOTOGRAPHED SECRET AND CONFIDENTIAL DOCUMENTS OBTAINED FROM LOCKED BAGS BY MEANS OF PASS KEYS.
WILLI KNIPP, 33, WAS SENTENCED TO 10 YEARS IMPRISONMENT AT HARD LABOR. JOSEF PAUL, 29, GOT NINE YEARS.
BETWEEN 1956 AND LAST SUMMER, WHEN THEY WERE APPREHENDED, BOTH

KNIPP AND PAUL SUPPLIED EAST GERMAN INTELLIGENCE WITH DATA ON WEST GERMANY'S BORDER POLICE FORCE AND WEST GERMAN PLANS FOR DEALING WITH A SURPRISE ATTACK AND WITH EAST GERMAN SABOTEURS, THE COURT RULED. WITNESSES HAD TESTIFIED THAT, IN ONE INSTANCE, THE ACCUSED HID MICROFILMS IN A NUTSHELL AND SMUGGLED THEM OVER THE ZONE BORDER. EACH ADMITTED RECEIVING ABOUT \$3,000 FOR SPYING. THE COURT ORDERED THE MONEY CONFISCATED.
RQ1004AES

A37BX

(300)
CONCORD, N.H., DEC. 9 (AP)-A NEW HAMPSHIRE JUDGE TODAY REJECTED A STATE PROSECUTOR'S PLEA TO KEEP DR. WILLARD UPHAUS IN JAIL AFTER NEXT TUESDAY--THE DATE THE ELDERLY PACIFIST WILL GO FREE.
THE GATES OF MERRIMACK COUNTY JAIL AT NEARBY BOSCAWEN THUS WILL SWING OPEN AS SCHEDULED FOR THE 70-YEAR-OLD NEW HAVEN, CONN. RESIDENT. HE IS COMPLETING A ONE-YEAR SENTENCE FOR CONTEMPT OF COURT IN A CONTROVERSIAL CASE STEMMING FROM A STATE SUBVERSIVE ACTIVITIES PROBE. WITH THE TWO WORDS, "MOTION DENIED", SUPERIOR COURT JUDGE GEORGE R. GRANT JR. DISMISSED A THREE-PAGE REQUEST BY ATTY. GEN. LOUIS C. WYMAN, WHO DECLARED IT WOULD BE "UNTHINKABLE" TO RELEASE UPHAUS BEFORE HE PURGED HIMSELF OF CONTEMPT.
THE FORMER METHODIST LAY PREACHER HAS REFUSED ON GROUNDS OF "CHRISTIAN CONSCIENCE" TO DISCLOSE TO WYMAN THE NAMES OF 600 GUESTS AT HIS WORLD FELLOWSHIP SUMMER CONFERENCE CENTER IN CONWAY.
WYMAN HAS INSISTED FOR SEVERAL YEARS THAT THE NAMES ARE ESSENTIAL TO THE RED PROBE HE HAS BEEN CONDUCTING AT THE DIRECTION OF THE STATE LEGISLATURE. SOME OF THOSE WHO HAVE BEEN GUESTS AT THE WORLD FELLOWSHIP CAMP WERE COMMUNISTS, WYMAN SAID.
THE ATTORNEY GENERAL CONTENDED THAT UPHAUS WAS IMPRISONED BECAUSE HE WANTED TO BE. HE COULD HAVE GAINED HIS FREEDOM ANYTIME HE WANTED TO PROVIDE THE NAMES, WYMAN SAID, ADDING HE FELT UPHAUS SHOULD REMAIN BEHIND BARS UNTIL HE DID SO.
UPHAUS SAID HE WOULD NOT GIVE WYMAN TINY FILE CARDS BEARING THE GUESTS' NAMES BECAUSE HE MIGHT BE LEAVING THEM OPEN TO PUBLIC SCORN AND LOSS OF LIVELIHOOD. HE SAID NONE OF THEM DID ANYTHING ILLEGAL.
GH507PES NM

PRAGUE, DEC. 9 (AP)-CZECHOSLOVAKIA HAS SPENT 100 MILLION CROWNS (ALMOST \$14 MILLION) ON THE RECONSTRUCTION OF LIDICE, SITE OF THE REPORTED NAZI MASSACRE IN WORLD WAR II, THE OFFICIAL NEWS AGENCY CTK

THE MINING VILLAGE OF 500 WAS COMPLETELY DESTROYED BY NAZI SS ELITE GUARD TROOPERS IN 1942. ALL MALE RESIDENTS WERE KILLED AND ONLY A FEW WOMEN AND CHILDREN SURVIVED DEPORTATION. THE NEW LIDICE NOW HAS 143 INHABITANTS.

A109

NIGHT LEAD U.N. ELECTIONS (450)
BY A.I. GOLDBERG

UNITED NATIONS, N.Y., DEC. 9 (AP)-THE AFRICAN-ASIAN GROUP TODAY BROKE THROUGH SO-CALLED GENTLEMEN'S AGREEMENTS THAT FOR YEARS HAVE DECIDED GEOGRAPHICAL DISTRIBUTION OF SEATS ON THE MAJOR U.N. COUNCILS. IN THE PROCESS THE GROUP APPEARED ALMOST CERTAIN TO HAVE OUSTED NATIONALIST CHINA FROM THE ECONOMIC AND SOCIAL COUNCIL SEAT WHICH THAT COUNTRY HAS ALWAYS HELD BY UNWRITTEN LAW BECAUSE IT IS ONE OF THE FIVE PERMANENT MEMBERS OF THE SECURITY COUNCIL.
THE 46-NATION AFRICAN AND ASIAN GROUP WENT ALONG WITH PRE-VOTE DEALS ON THREE OF THE FOUR CANDIDATES FOR NONPERMANENT SEATS IN THE SECURITY COUNCIL AND ON FIVE OF THE SIX AGREED CANDIDATES FOR

THE ECONOMIC AND SOCIAL COUNCIL.

BUT THEY BALKED AT ELECTION BY THE U.N. GENERAL ASSEMBLY OF PORTUGAL AS THE WESTERN EUROPEAN CANDIDATE IN THE SECURITY COUNCIL AND OF BELGIUM IN THE ECONOMIC AND SOCIAL COUNCIL.

MANY OF THE ASIAN-AFRICAN GROUP HAVE BEEN CALING FOR THE SEATING OF RED CHINA HERE.

MOST OF THEM ALSO HAVE BEEN DENOUNCING PORTUGAL AS A COLONIAL POWER AND CASTIGATING BELGIUM BECAUSE IT WAS THE FORMER COLONIAL POWER IN THE CONGO.

THE ASSEMBLY ELECTED CHILE TO THE SECURITY COUNCIL FOR THE NEXT TWO YEARS TO SUCCEED ARGENTINA AND THE UNITED ARAB REPUBLIC TO SUCCEED TUNISIA.

THE ASSEMBLY ALSO RATIFIED THE AGREEMENT LAST YEAR THAT GAVE TURKEY A ONE-YEAR TERM IN 1961 ON THE SEAT HELD DURING THE LAST YEAR BY POLAND, REPRESENTING THE SOVIET BLOC.

BUT A SERIES OF EIGHT BALLOTS FAILED TO DISPOSE OF THE REMAINING SEAT TO BE FILLED. PORTUGAL LED LIBERIA 50-32, CONSIDERABLY BELOW THE REQUIRED TWO-THIRDS MAJORITY, ON THE FIRST BALLOT. ON THE EIGHTH BALLOT LIBERIA WAS LEADING 55 TO 38 FOR PORTUGAL, SEVEN VOTES SHORT OF THE REQUIRED MAJORITY.

ASSEMBLY PRESIDENT FREDERICK H. BOLAND, OF IRELAND, ANNOUNCED THE ELECTION FOR THAT SEAT WOULD BE RESUMED NEXT WEEK.

ON THE FIRST BALLOT IN THE ECONOMIC AND SOCIAL COUNCIL ELECTIONS THAT FOLLOWED, THE ASSEMBLY ELECTED URUGUAY, EL SALVADOR, FRANCE, JORDAN AND ETHIOPIA WITH CLEAR MAJORITIES.

JORDAN AND ETHIOPIA WERE SUPPOSED TO BE CONTENDING FOR THE SEAT HELD UNTIL NOW BY SUDAN.

BELGIUM RECEIVED 52 VOTES, NATIONALIST CHINA 51, VOTES, GHANA 11, LIBERIA 3. A SCATTERING OF VOTES WENT TO OTHERS.

THEN THROUGH A SERIES OF ALTERNATING RESTRICTED AND UNRESTRICTED BALLOTS, GHANA FINALLY DROPPED TO 6 VOTES ON THE 10TH BALLOT. INDIA LED WITH 47, FOLLOWED BY BELGIUM WITH 36, CHINA 6, AUSTRIA 3, AND CAMBODIA, MEXICO AND MALAGASY WITH ONE EACH.

BOLAND ANNOUNCED NO CLEAR DECISION WAS IN SIGHT AND SAID THAT ELECTION WOULD BE POSTPONED UNTIL A LATER DATE.

NATIONALIST CHINA IS STILL ELIGIBLE TO BE VOTED ON IN A FUTURE ELECTION, BUT ITS FUTURE ON THE COUNCIL APPEARED HOPELESS.

THE AFRICAN-ASIAN GROUP WAS DEFEATED EARLIER IN THE WEEK IN AN ATTEMPT TO GET IMMEDIATE REDISTRIBUTION OF SEATS ON COUNCILS TO GIVE THEM REPRESENTATION.

THEY WANTED, THEY SAID, "A NEW GENTLEMEN'S AGREEMENT" TO REPLACE THE ONE MADE IN LONDON IN 1946 BY THE BIG POWERS TO GOVERN SECURITY COUNCIL ELECTIONS, AND A SIMILAR AGREEMENT A YEAR LATER REACHED TO GOVERN ECONOMIC-SOCIAL AND COUNCIL ELECTIONS.

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A160 (130)

LONDON, DEC. 9 (AP)-DR. HASTINGS BANDA AND A GROUP OF INDEPENDENCE-SEEKING AFRICAN NATIONALISTS WALKED OUT OF BRITISH-SPONSORED TALKS ON THE CONSTITUTIONAL FUTURE OF THE CENTRAL AFRICAN FEDERATION (CAF) TODAY.

THE NYASA LEADER TOLD NEWSMEN HIS WITHDRAWAL WAS A PROTEST AGAINST REMARKS MADE IN CLOSED SESSION BY SOUTHERN RHODESIAN PREMIER SIR EDGAR WHITEHEAD.

"WHITEHEAD WAS TALKING NOSENSE," BANDA ASSERTED, WITHOUT SPELLING OUT DETAILS.

BANDA SAID HE DID NOT KNOW NOW IF HE WILL RETURN TO THE TALKS WHEN THEY RESUME MONDAY.

BRITISH GOVERNMENT LEADERS, MEANTIME, ARRANGED A WEEKEND OF INFORMAL EXCHANGES BETWEEN THE MAIN CONFERENCE PARTICIPANTS IN THE

HOPE OF BREAKING THE SEEMINGLY COMPLETE DEADLOCK BETWEEN WHITE RULERS OF THE CAF--MADE UP OF NORTHERN RHODESIA, SOUTHERN RHODESIA AND NYASALAND--AND THEIR NEGRO CHALLENGERS.
THE LATTER SAY THEY HAVE COME HERE TO "BURY THE FEDERATION" WHILE THE WHITES WANT TO PRESERVE IT.

JS1232PES

B71 Q

UNITED NATIONS, N.Y., DEC. 9 (AP)--STANLEY BURKE OF THE CANADIAN BROADCASTING CORP. TONIGHT WAS ELECTED PRESIDENT OF THE U.N. CORRESPONDENTS ASSOCIATION FOR 1961. HE WAS UNOPPOSED.

SIMON MALLEY OF AFRIQUE ACTION AND RADIO TUNIS DEFEATED TASS CORRESPONDENT VLADIMIR OZEROV FOR FIRST VICE-PRESIDENT BY A VOTE OF 59-55. JOSEPH LASH OF THE NEW YORK POST WAS ELECTED SECOND VICE-PRESIDENT AND MARIO ROSSI, A FREE LANCE WRITER, WAS CHOSEN THIRD VICE-PRESIDENT.

T.V. PARASURAM, OF PRESS TRUST OF INDIA, WAS ELECTED SECRETARY AND MRS. KAY RAINEY GRAY OF GREENWICH TIME WAS RE-ELECTED TREASURER. MEMBERS OF THE EXECUTIVE COMMITTEE INCLUDED MAX HARRELSON, ASSOCIATED PRESS; JOHN CRAWLEY, BRITISH BROADCASTING CORP.; YASUMASA OTA, KYODO NEWS SERVICE; ALEXANDER ZEMANEK, CZECHOSLOVAK NEWS AGENCY; OTTO LEICHTER, DEUTSCHE PRESSE AGENTUR; MICHAEL LITTLEJOHNS, REUTERS; PAUL SANDERS, HET PAROOL, AMSTERDAM; ANNE WEILL-TUCKERMAN, AGENCE FRANCE PRESS; AND KRISHNAMACHARI BALARAMAN, THE HINDU, MADRAS.

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UNITED NATIONS, N.Y., DEC. 9 (AP)--THE U.N. ASSEMBLY BUDGET COMMITTEE APPROVED TODAY A \$61,000 DEFICIT PAYMENT FOR THE U.N. INTERNATIONAL SCHOOL AND ANOTHER \$20,000 TO FINANCE A SEARCH FOR A PERMANENT HOME FOR THE SCHOOL.

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THE SCHOOL NOW IS OPERATING IN AN ABANDONED SCHOOL BUILDING ON NEW YORK'S UPPER EAST SIDE. THE BUILDING WAS TURNED OVER TO THE UNITED NATIONS ON LOAN BY THE CITY OF NEW YORK AND THE COMMITTEE'S RESOLUTION THANKED MAYOR ROBERT WAGNER AND HIS ADMINISTRATION FOR MAKING THOSE QUARTERS TEMPORARILY AVAILABLE WHEN THE SCHOOL MOVED IN FROM LONG ISLAND.

THE SCHOOL'S 330 PUPILS ARE CHILDREN OF U.N. DIPLOMATS STATIONED HERE AS WELL AS OF FOREIGN U.N. STAFF MEMBERS. ITS \$800-\$1,000 TUITION FEES ARE NOT ENOUGH TO PAY ALL ITS BILLS AND COMMITTEE MEMBERS QUESTIONED WHETHER THE U.N. SHOULD CONTINUE PAYING IT A

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SUBSIDY EACH YEAR.

THE CHILEAN DELEGATE SUGGESTED "PERHAPS THE UNITED NATIONS CAN APPROACH SOME GROUP OR FOUNDATION IN THIS RICH COUNTRY THAT WOULD BE WILLING TO BUY GROUND AND ARRANGE TO DONATE A BUILDING FOR THIS PROJECT."

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